

South Dakota

NET FARM INCOME

News Release

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NET FARM INCOME UP IN 1998

SIoux FALLS, October 13, 1999 -- Total net farm income in South Dakota for 1998 was up 15 percent from 1997, according to USDA's South Dakota Agricultural Statistics Service. Net farm income (after inventory adjustment) totaled 1.16 billion dollars in 1998, compared to 1.01 billion in 1997. Both years are below the net income of 1.50 billion realized in 1996, but well above the 705 million during 1995, a drastically weather-reduced crop year.

The value of inventory adjustment, a positive 193 million dollars for 1998 versus a negative 283 million for 1997, was the largest factor influencing the change in net farm income. Record crop production in 1998 compared to reduced production in 1997 contributed to this swing in inventory adjustment.

Cash receipts to South Dakota producers for all commodities marketed during 1998 totaled 3.5 billion dollars, 16 percent below 1997. Even with record crop production, lower commodity prices held down cash receipts. Crops accounted for 1.95 billion, or 56 percent of all receipts. This was down 19 percent from the previous year's total of 2.40 billion. Livestock receipts, at 1.56 billion dollars, were down 13 percent.

Net Farm Income and Cash Receipts estimates are published by the Economic Research Service (ERS) in cooperation with the National Agricultural Statistics Service (NASS), both of the USDA.

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